

**PROPERTY ASSESSMENT APPEAL BOARD**  
**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

PAAB Docket No. 2019-029-00103R

Parcel Nos. 16-16-351-013; 16-16-352-015; 16-16-352-004

**Robert Lee Bartles,**

Appellant,

vs.

**Des Moines County Board of Review,**

Appellee.

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**Introduction**

This appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on December 3, 2019. Robert Bartles was self-represented. Des Moines Assistant County Attorney Todd Chelf represented the Board of Review.

Bartles owns three adjoining and unimproved residential parcels located at 6096 Nikonha Place, Burlington. The following table summarizes the subject properties' January 1, 2019, assessments, which are allocated entirely in land value. (Ex. A & B).

<b>Parcel #</b>	<b>Total Assessment</b>
16-16-352-004 (Parcel A)	\$16,000
16-16-351-013 (Parcel B)	\$6,000
16-16-352-015 (Parcel C)	\$7,300

Bartles petitioned the Board of Review selecting the area on the form for a claim that there was an error in his assessment under Iowa Code section 441.37(1)(a)(4). However, his written statement clearly indicates he was claiming the subject property was assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2). (Ex. C). The Board of Review denied the petition.

Bartles reasserted his claim of over assessment to PAAB.

## **General Principles of Assessment Law**

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code Rule 701-71.126.2(2-4). New or additional evidence may be introduced, and PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009)(citation omitted).

## **Findings of Fact**

Collectively, the subject parcels and a fourth parcel that is not part of this appeal are Bartles' primary residence. The main parcel with Bartles' dwelling (hereinafter referred to as the Dwelling Parcel) consists of 1.37 acres and is improved and Bartles' home. (Exs. 1 & H). Bartles does not dispute the assessment of this parcel.<sup>1</sup> The remaining parcels are described as follows: Parcel A is a 0.74 acre site; Parcel B is a 0.20 acre site; Parcel C is a 0.53 acre site (hereinafter collectively referred to as the Subject Properties). (Ex. A). The Subject Properties surround the Dwelling Parcel and consist of a yard, a ravine, and a driveway. A portion of the subject parcels are heavily wooded and front the Mississippi River.

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<sup>1</sup> This parcel was assessed for \$275,800, allocated as \$111,700 in land value and \$164,100 in dwelling value. (Ex. H). The dwelling is a one story brick home built in 1970 with 1884 square feet of total living area with 1500 square feet of rec-room quality basement finish. It has an enclosed porch and an attached garage. It is listed in below normal condition and carries a 44% physical depreciation and a 15% functional obsolescence. It was purchased by the previous owner in 2006 for \$334,800.

Bartles rented the property for approximately eight years before he purchased it from his landlord, Iowa Investments, Inc. Bartles explained the corporation was owned by a married couple, and when the husband passed away, the wife decided to sell the property. The total purchase price for the Dwelling Parcel and Subject Properties was \$282,000. (Ex. 1). Bartles asserts “the adjoining lots have little or no value separate from the house.” (PAAB appeal). He contends that since the Dwelling Parcel is assessed at \$275,800, the remaining total value of the Subject Properties should be \$6,200. He believes this allocation would reflect the total price he paid. Bartles submitted his residential purchase agreement for the property described as “6096 Nikonha Place, Burlington, Iowa, also known as ‘Jean’s House’ ” showing he paid \$282,000 for it. (Ex. 1).

Bartles submitted an appraisal prepared by Kathy Conover of Potter Appraisal Services, Inc. Burlington. (Ex. C). The appraisal was prepared for mortgage lending purposes with an effective date of June 2018. Bartles testified a previous appraisal had been prepared for purposes of establishing a purchase price. He stated that both appraisals concluded a value of \$294,000. In his protest to the Board of Review and his appeal to PAAB, Bartles stated the appraisal was for the house and all adjoining lots.

The Conover appraisal appears to identify only the Dwelling Parcel as the subject property, with a total of 1.12 acres, yet the purchase price is the amount Bartles contends he paid for the combined properties. (Ex. C, page 1). We note the site size Conover reports, however, is actually smaller than the site size for the Dwelling Parcel. (Ex. H). Conover notes the driveway does not appear to be on the same lot as the dwelling, but makes no further discussion of the property. Even if Conover valued all of the parcels together, she does not allocate value to each. Nor is there other evidence in the record independently valuing or allocating value specifically to the three subject parcels. Accordingly, we find that the appraisal appears to value only the Dwelling Parcel and not the Subject Properties as Bartles believes.

Matt Warner, Des Moines County Assessor, testified on behalf of the Board of Review. He explained the County’s 2019 revaluation of properties for the 2019 assessment. He described the manner in which River Bluff View sites were valued,

which is where the Subject Properties are located. He explained that in valuing the Subject Properties, they were considered and valued as excess land to the Dwelling Parcel. Therefore, a \$30,000-per-acre value was used for portions of each site with good topography and a \$10,000-per-acre value for portions of each site with poor topography, such as a steep bluff or other site irregularities. (Ex. D). Parcel A and Parcel C received poor topography valuations to reflect these issues.

Warner also submitted the property record cards of three nearby river view properties that each has a dwelling parcel and excess vacant adjoining parcels. (Exs. E-G). The adjoining parcels are valued using the same methodology that was used for the Subject Properties' assessment.

### **Analysis & Conclusions of Law**

Bartles asserts the subject property is assessed for more than the value authorized by law, as provided under Iowa Code section 441.37(1)(a)(2). In an appeal alleging the property is assessed for more than the value authorized by law, the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 780 (Iowa 2009) (citation omitted).

In Iowa, property is assessed for taxation purposes following Iowa Code section 441.21. Iowa Code subsections 441.21(1)(a-b) require property subject to taxation to be assessed at its actual value, or fair market value. *Soifer*, 759 N.W.2d at 778.

In determining market value, “[s]ales prices of the property or comparable property in normal transactions reflecting market value, and the probable availability or unavailability of persons interested in purchasing the property, shall be taken into consideration in arriving at market value.” *Id.* Using the sales price of the property, or sales of comparable properties, is the preferred method of valuing real property in Iowa. *Id.*; *Compiano*, 771 N.W.2d at 398; *Soifer*, 759 N.W.2d at 779 n. 2; *Heritage Cablevision v. Bd. of Review of Mason City*, 457 N.W.2d 594, 597 (Iowa 1990). “[A]bnormal transactions not reflecting market value shall not be taken into account, or shall be adjusted to eliminate the effect of factors which distort market value . . . .”

§ 441.21(1)(b). Abnormal transactions include, but are not limited to, foreclosure or other forced sales, contract sales, discounted purchase transactions, or purchases of adjoining land or other land to be operated as a unit. *Id.* The sale price of the subject is a matter to be considered in arriving at market value, but does not conclusively establish that value. *Riley v. Iowa City Bd. of Review*, 549 N.W.2d 289,290 (Iowa 1996); *McHose v. Property Assessment Appeal Bd.*, 2015 WL 4488252(Iowa Ct. App. July 22, 2015).

In support of his position, Bartles submitted his Residential Purchase Agreement and the Conover appraisal. Bartles admitted he purchased the property from his long-time landlord. It is quite possible the owners were eager to sell this property to the long-time tenant rather than preparing the home to put it on the general market. A purchase of property from a landlord by a long-term tenant, without further information may or may not be an arm's-length transaction. Iowa Code 441.21(1)(b)(1) (noting that sales prices in abnormal transactions shall not be taken into account or shall be adjusted to eliminate the effect of the condition). We note the sale price was \$52,800 less than what the owners' paid twelve years prior; however, as noted in the assessment and the appraisal, it appears the dwelling is suffering from deferred maintenance. Additionally, Bartles' appraisal only appears to value the Dwelling Parcel, which is not the subject of this appeal. The valuation established in the appraisal, \$294,000, exceeds Bartles' purchase price, which he reports was for the all of the properties combined. Even if the appraisal intended to value all of the parcels combined, it makes no allocation of value back to each parcel.

Bartles offered no independent evidence of the value of each of the Subject Properties. Conversely, the Board of Review submitted evidence of neighboring river-view properties each having adjoining vacant parcels. The Subject Properties are valued exactly as these comparable parcels.

After consideration of the evidence and testimony, we find Bartles failed to establish that the Subject Properties are over assessed.

## **Order**

PAAB HEREBY Affirms the Des Moines County Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2019).

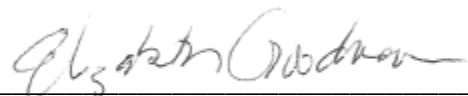
Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A (2018).



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Karen Oberman, Board Member



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Elizabeth Goodman, Board Member



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Dennis Loll, Board Member

Copies to:

Robert Bartles by eFile

Des Moines County Board of Review by eFile